

## **Assembly Bill No. 2189**

### **CHAPTER 747**

An act to add Section 399.12.5 to the Public Utilities Code, relating to energy.

[Approved by Governor September 29, 2006. Filed with  
Secretary of State September 29, 2006.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

AB 2189, Blakeslee. Energy: renewable energy resources.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. The Public Utilities Act imposes various duties and responsibilities on the commission with respect to the purchase of electricity and requires the commission to review and adopt a procurement plan and a renewable energy procurement plan for each electrical corporation pursuant to the California Renewables Portfolio Standard Program. The program requires that a retail seller of electricity, including electrical corporations, community choice aggregators, and electric service providers, but not including local publicly owned electric utilities, purchase a specified minimum percentage of electricity generated by eligible renewable energy resources, as defined, in any given year as a specified percentage of total kilowatthours sold to retail end-use customers each calendar year (renewables portfolio standard). The renewables portfolio standard requires each electrical corporation to increase its total procurement of eligible renewable energy resources by at least an additional 1% of retail sales per year over its baseline amount so that 20% of its retail sales are procured from eligible renewable energy resources no later than December 31, 2017. Pursuant to the existing definition of an "eligible renewable energy resource," the electricity generated by a small hydroelectric generation facility of 30 megawatts or less procured or owned by an electrical corporation as of January 1, 2003, is eligible only for purposes of establishing the baseline of renewable energy resources procured by the electrical corporation and not for purposes of meeting the renewables portfolio standard.

This bill would provide that a small hydroelectric generation facility that is an eligible renewable energy resource retains eligibility if efficiency improvements at the facility undertaken after January 1, 2003, cause the generating capacity of the facility to exceed 30 megawatts, and the efficiency improvements do not result in a new or increased appropriation or diversion of water from a watercourse.

*The people of the State of California do enact as follows:*

SECTION 1. Section 399.12.5 is added to the Public Utilities Code, immediately following Section 399.12, to read:

399.12.5. Notwithstanding Section 399.12, a small hydroelectric generation facility that satisfies the criteria for an eligible renewable energy resource pursuant to Section 399.12 shall not lose its eligibility if efficiency improvements undertaken after January 1, 2003, cause the generating capacity of the facility to exceed 30 megawatts, and the efficiency improvements do not result in a new or increased appropriation or diversion of water from a watercourse. The entire generating capacity of the facility shall be eligible.